

**First Amendment To
Solar Power Purchase Agreement
(Sublease Area 2)**

This First Amendment to Solar Power Purchase Agreement (Sublease Area 2) (the "Amendment") is dated as of January __, 2021 (the "Amendment Effective Date") and is by and between SMER Research 1, LLC, a California limited liability company (the "Power Provider") and Southwest Riverside County Energy Authority, a California Joint Powers Authority ("Purchaser").

A. Purchaser and Power Provider are parties to that certain Solar Power Purchase Agreement (Sublease Area 2) dated May 9, 2018 (the "PPA") (capitalized terms not otherwise defined herein shall be as defined in the PPA unless otherwise designated);

B. Purchaser participates in the Local Government Renewables Self-Generation Program pursuant to Public Utilities Code Section 2830 wherein Southern California Edison ("SCE") offers a tariff which allows a local government to designate one retail service account as a "generating account" and transfer any available generation credits produced by electricity exported to the grid by a solar facility to one or several designated "benefitting accounts", subject to an annual true up to a designated benefitting account (the "Renewable Energy Self-Generation Bill Credit Transfer Program" or "RES-BCT");

C. Purchaser has opted-in to receive certain mitigation payments under that certain Renewable Energy Self-Generation Bill Credit Transfer Indifference Mechanism Amended Settlement Agreement between SCE and certain RES-BCT customers (the "Settlement Agreement");

D. Under the Settlement Agreement (1) Purchaser's generating account and benefitting accounts will be reverted to a grandfathered tariff upon interconnection and energizing of the Generating Facility, and will remain on such grandfathered rate schedule through the indifference period which ends on July 31, 2027, and (2) Purchaser or the City of Lake Elsinore is entitled to receive a lump sum payment (the "Indifference Payment") after the first year of generation has taken place and will be equivalent to the present value of 5-year worth of credits had the system been on the grandfathered rate schedule for another 5-years;

E. Purchaser submitted Form 14-789 to SCE on _____, 2020 under the RES-BCT program designating the initial benefitting service accounts for the City of Temecula and City of Lake Elsinore; and

F. Purchaser and Power Provider desire to amend the PPA to reflect the Settlement Agreement, certain agreed rate adjustments and treatment of the Indifference Payment, the term of the PPA, the benefitting account designations and such other matters as set forth herein.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Power Provider and Purchaser, intending to be legally bound, agree as follows:

1. Amendment to Section 3: Purchase and Sale of Power. Section 3 is hereby amended and restated as follows:

(a) Purchase and Sale. Throughout the PPA Term, Purchaser shall purchase and accept delivery from Power Provider, and Power Provider shall sell and deliver to Purchaser, the entire Energy Output in such amounts as may be generated from time to time. Purchaser shall not resell any of the Energy Output.

(b) Purchase Price. Purchase shall pay to Power Provider the Purchase Price for the duration of the PPA Term for all of the Energy Output delivered hereunder throughout the PPA Term. Such amount shall be paid in accordance with the terms of Section 8 hereof

(c) Taxes. If any taxes are assessed against the generation, sale, delivery or consumption of Energy Output, or if taxes that are, or are in the nature of, property or ad valorem taxes, including without limitation, possessory interest taxes, if any, are assessed in respect of the Generating Facility, Power Provider shall be responsible for all such amounts due, including any taxes assessed thereon, in accordance with the terms of Section 8. Notwithstanding the above, Purchaser may not assess a tax on Power Provider's activities in any way.

(d) Fees. If any fees are assessed by the Utility by reason of this PPA, or any supporting agreement, on any Purchaser account which is receiving credits for Energy Output from the Generating Facility, including but not limited to Departing Load Charges, application fees, one time set-up fees, monthly billing fees, or review fees, the Power Provider shall be responsible for all such amounts. Notwithstanding the above, Purchaser may not assess any fees on Power Provider's activities in any way.

(e) Applicable Rate Adjustments.

(i) Prior to July 31, 2027, the Applicable Rate shall be increased as of the first day of each Relevant Period by an amount equal to 2% of the prior year's Applicable Rate.

(ii) On August 1, 2027, the Applicable Rate shall be adjusted (increased or decreased) as of August 1, 2027 to be equal to: the product of (1) the 2027 Applicable Tariff Rate as of August 1, 2027, and (2) 85%; provided that the Applicable Rate shall not be less than 6.5 cents; and

(iii) Beginning on the first day of each Relevant Period thereafter, the Applicable Rate shall be increased as of the first day of each Relevant Period by an amount equal to 2% of the prior year's Applicable Rate.

(f) **Benefitting Account Designations under RES-BCT Program.**

(i) Authority to Amend Account Designations and Exhibit B. Purchaser and Power Provider agree that on an annual basis, and subject to the limitations set forth in Section 3(f)(ii), Purchaser may request changes to the benefitting account designations for the service accounts of the City of Lake Elsinore and the City of Temecula; provided that any such requested change must reflect an allocation of 100% of the power produced by the Combined Generating Facility. Purchaser agrees to provide a copy of the approved SCE benefitting account designations to Power Provider within two business days following SCE approval. Schedule 1 and Exhibit B will be amended to reflect changes to the benefitting accounts by Purchaser following approval of such changes by SCE under the RES-BCT program.

(ii) Restrictions on Changes to Account Designations. Purchaser agrees that no changes to the benefitting account or true-up account designations under the RES-BCT program will be submitted to SCE unless and until Power Provider and Purchaser approve the changes to the benefitting account designations, and the corresponding changes to this Agreement for any changes or new service accounts designated as benefitting accounts. Purchaser agrees that no changes will be made to the benefitting account designations if such designation would result in a decrease in or recapture of any Indifference Payments.

2. Amendments to Section 4: PPA Term; Termination. Section 4 is hereby amended and restated as follows:

(a) PPA Term. Unless terminated early in accordance with the terms hereof, the term of this Agreement (the "PPA Term") shall commence on the PPA Effective Date and the Parties' respective purchase and sale obligations under this Agreement with respect to Energy Output from the Generating Facility shall commence at 0000 hours on the Commercial Operation Date; and each shall continue in effect until 2400 hours on the date that is thirty (30) years after the Commercial Operation Date. Notwithstanding the foregoing, the PPA Term shall automatically expire upon the expiration of the "Term" of the Ground Lease Agreement (as defined therein), if such expiration occurs on or after the expiration of the "Initial Term" of the Ground Lease Agreement (as defined therein).

(b) [Reserved].

3. Amendment to Section 8: Invoices, Payment and Credits. Section 8 is hereby amended and restated as follows:

8. Invoices, Payment and Credits

(a) Power Provider shall deliver to Purchaser an invoice at the address set forth in Section 17 by the fourteenth (14th) Business Day of each calendar month (or upon a monthly schedule mutually acceptable to Purchaser and Power Provider), stating the Energy Output delivered to Purchaser during the preceding calendar month and the applicable Purchase Price, and calculating the total amount due to Power Provider. Without offset for any amount owed or claimed to be owed by Power Provider, other than the reduction for any credit allowed as set forth in Section 8(b), Purchaser shall pay the amount due to Power Provider by wire transfer or ACH payment, on or before thirty (30) days following the date of the invoice, which shall be referred to as the “Due Date.” If the Due Date is a bank holiday, publicly designated holiday, or a weekend, payment shall be due on the next following Business Day. Any undisputed amount remaining unpaid after the Due Date shall bear interest at the Default Rate. Invoices and payments schedule shall commence following Commercial Operation.

(b) If in any Relevant Period the total energy produced by the Combined Generating Facility exceeds 6,300,000 kWh (with the amount of such production in excess of 6,300,000 kWh referred to herein as the “Excess Production”), and the Purchaser is unable to apply the Generation Credits created as a result of the Excess Production to the Benefitting Accounts, the Purchaser shall be entitled to a credit against the purchase of energy, referred to herein as the “Excess Production Credit.” Purchaser will not be entitled to an Excess Production Credit if there is no Excess Production for such Relevant Period, and nothing in this Section 8(b) is intended to provide Purchaser any credits attributable to the first 6,300,000 kWh produced by the Combined Generating Facility during each Relevant Period.

(i) If for any Relevant Period the Applied Generation Credits for the Combined Generating Facility exceeds the Expected Production Credit Value, but is less than the total sum of the Generation Credits, the Excess Production Credit shall be equal to (1) the value of the forfeited unused Generation Credits for the Combined Generating Facility after application of the applicable true-up provisions for the Relevant Period under the RES-BCT schedule (referred to as Forfeited Bill Credits), multiplied by the (2) the quotient derived by dividing the Applicable Rate by the Credit Rate and (3) the allocation percentage attributable to the City of Lake Elsinore, as set forth in Section 8(c).

(ii) If for any Relevant Period the Applied Generation Credits for the Combined Generating Facility is less than the Expected Production Credit Value, and is less than the total sum of the Generation Credits for the Combined Generating Facility, the Excess Production Credit shall be equal to (1) the

excess of the total Generation Credits for the Combined Generating Facility over the Expected Production Credit Value, multiplied by the (2) the quotient derived by dividing the Applicable Rate by the Credit Rate and (3) the allocation percentage attributable to the City of Lake Elsinore, as set forth in Section 8(c).

(iii) If amount of energy produced by the Combined Generating Facility is less than 6,300,000 kWh the Excess Production Credit shall be zero.

The Excess Production Credit attributed to Purchaser, if any, will be applied in twelve (12) equal portions by Power Provider as a credit on the monthly invoices issued with respect to the immediately following Relevant Period.

(c) Purchaser shall provide to Power Provider within 30 days after the final true-up credit has been determined with respect to each Relevant Period, (1) proof of all Generation Credits, (2) the calculation of any Forfeited Generation Credits, with all backup support, and (3) if different than the allocation reflected in Exhibit B for the most recent relevant period, the allocation of the Excess Production Credit between the City of Temecula and City of Lake Elsinore.

4. Amendment to Section 15: Force Majeure. Section 15 is hereby amended to delete the following words from Section 15)c)(iv) and Section 15(d)(1):

or the end of any Extension PPA Term

5. Amendment to Section 17: Notices. Power Provider's notice address is hereby amended and restated as follows:

If to Power Provider: SMER Research 1, LLC
9400 Reeds Road, Ste 150
Overland Park, KS 66207

(No notice copies required)

6. A new Section 34 is added to the Agreement as follows:

34. Indifference Payments

Purchaser, and Guarantor, if applicable, each agree to pay Power Provider an amount equal to 100% of the Indifference Payment received by Purchaser or Guarantor, whether received as a bill credit or as a cash payment.

Pursuant to the Settlement Agreement, "Indifference payments will be applied as a one-time lump sum bill credit to the Generating Account (w/ the customer having the option to cash out any credit balance via check after the initial bill credit is applied)." Purchaser agrees to promptly request a check for any credit balance. Funds due the Purchase Provider pursuant to this section

shall be conveyed to the Power Provider within five (5) business days following receipt of the Indifference Payment check from SCE.

7. A new Section 35 is added to the Agreement as follows:

35. Covenants of Purchaser

Purchaser agrees that it will use commercially reasonable best efforts to implement appropriate revisions to the Benefitting Account designations under the RES-BCT program to maximize the Purchaser usage of the Generation Credits and to limit the amount of Excess Production Credits. Purchaser agree not to take actions that would create a material negative impact on the ability of Purchaser or its members agencies to designate Benefitting Accounts that will utilize the Generation Credits.

8. A new Section 36 is added to the Agreement as follows:

36. Buy-Out Option

Beginning on the fifth anniversary of the first day of the month following the Commercial Operation Date, Purchaser shall have the option to purchase the Generating Facility, provided that Purchaser is not then in default under this Agreement and that Power Provider receives the prior written approval of the lessor under the Ground Lease Agreement and Power Provider's lender. Customer may elect to purchase the System by providing 60 days advance written notice to Power Provider. This purchase option may be exercised only if the Purchaser purchases the entire Combined Generating Facility, and assumes all of Power Provider's obligations under the Ground Lease Agreement. If Purchaser elects to so purchase the Generating Facility, the purchase price shall be the Termination Value. Not less than one-hundred-and-eighty (180) days prior to the exercise of the purchase option, Purchaser shall provide written notice to Power Provider of Purchaser's exercise thereof. Upon the exercise of the foregoing purchase option plus receipt of the Termination Value, and all other amounts then owing by Purchaser to Power Provider, the parties will execute all documents necessary to cause title to the Generating Facility to pass to Purchaser as-is, where-is; provided, however, that Power Provider shall remove any encumbrances placed on the System by Provider.

9. Amendment to Exhibit A: Definitions and Rules of Interpretation. Exhibit A of the PPA is hereby deleted and replaced in its entirety with the Amended and Restated Exhibit A attached to this Amendment.
10. Amendment to Exhibit B: Generating Facility Specifications. Exhibit B of the PPA is hereby deleted and replaced in its entirety with the Amended and Restated Exhibit B attached to this Amendment.

11. Amendment to Exhibit C: Termination Values. Exhibit C of the PPA is hereby deleted and replaced in its entirety with the Amended and Restated Exhibit C attached to this Amendment. In accordance with Section 13(c) of the PPA, each member agency of Purchase is responsible for the Termination Value proportionate to that member agency's Energy Allocation at the time that the PPA Event of Default occurs. The Parties agree to update Exhibit C following changes to the benefitting account designations for the service accounts of the City of Lake Elsinore and the City of Temecula under Section 3(f) to reflect the changes.
12. Miscellaneous. Except as otherwise expressly modified herein, the terms and provisions of the PPA shall continue in full force and effect. This Amendment may be executed in counterparts, each of which will be deemed an original, but all of which together constitute one agreement. Signature pages of this Amendment transmitted by electronic mail in portable document format will have the same legal effect as a manually executed signature page. This Amendment shall be governed and construed in accordance with the laws of the State of California.

The undersigned cause their duly authorized representatives to execute this Amendment as of the Amendment Effective Date.

SMER RESEARCH 1, LLC

By: _____
William P. Love, Manager

SOUTHWEST RIVERSIDE COUNTY
ENERGY AUTHORITY

By: _____
Jason Simpson, Executive Director

ATTEST:

Candice Alvarez, MMC, Authority Secretary

APPROVED AS TO FORM:

David H. Mann, Authority Counsel

Amended and Restated Exhibit A Definitions and Rules of Interpretation

1. Definitions.

“2027 Applicable Tariff Rate” means, with respect to the Generating Account, the weighted average (weighted based on the prior year production during each TOU Period) of the following rates: (A) the product of (1) the actual TOU Period(s) kWh or kW, as applicable, exported to the grid during the immediately preceding Relevant Period for the Generating Account, and (2) the applicable SCE tariff rate for each such TOU Period (not including delivery and transmission charges) for the Generating Account; divided by the total kWh exported to the grid by such for the Generating Account during the immediately preceding Relevant Period.

“Applied Generation Credits” means, for any Relevant Period, the sum of the Generation Credits applied to the designated Benefitting Accounts under the RESBCT schedule, including the true-up designation.

“Affiliate” means, when used with reference to a specified Party, any Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with the specified Party.

“Agreement” has the meaning given in the preamble.

“Applicable Rate” means, (i) as of the Amendment Effective Date, 8.42 cents per kWh, as thereafter adjusted for the annual increase under Section 3(g)(i), and (ii) on August 1, 2027, the greater of 6.5 cents per kWh or the rate calculated under Section 3(g)(ii), as thereafter adjusted for the annual increase under Section 3(g)(iii).

“Benefitting Account” means, an electric account authorized to receive generation credits produced by electricity exported to the grid by the Generating Facility interconnected under the Schedule RES-BCT.

“Business Day” means any day on which Federal Reserve member banks in San Francisco, California are open for business.

“City of Temecula (Sublease Area 1) PPA” means that certain Solar Power Purchase Agreement by and between Power Provider and Purchaser regarding Sublease Area 1 at the Site.

“Code” means the Internal Revenue Code of 1986, as amended.

“Combined Generating Facility” means Generating Facility and the Generating Facility as defined in the City of Temecula (Sublease Area 1) PPA

“Commercial Operation” means the condition existing when (i) the Generating

Facility is mechanically complete and operating in accordance with the specifications set forth in Exhibit B, and (ii) energy is delivered to the Energy Delivery Point.

“Commercial Operation Date” means the date on which Power Provider notifies Purchaser in accordance with Section 2(a) that the Generating Facility has achieved Commercial Operation.

“Completion Activities” has the meaning given in Section 2(c).

“CPUC” means the California Public Utilities Commission.

“Credit Rate” means the value of all Generation Credits divided by the actual total energy production for the Relevant Period for the Combined Generating Facility.

“Default Rate” means the lesser of one percent (1%) per month or the maximum rate permitted by applicable law.

“Due Date” has the meaning given in Section 8.

“Energy Allocation” means the percentage of total energy production from the Generating Facility allocated to the Purchaser, as set forth on Exhibit B, as may be amended from time to time.

“Energy Delivery Point” means the energy delivery point within the Site’s electrical system on Purchaser’s side of the Site’s Utility meter, as designated in the Interconnection Agreement, as shown in the single-line drawing attached as Exhibit E.

“Energy” means the electrical output generated by the Generating Facility.

“Energy Output” means the total quantity of the actual net energy generated by the Generating Facility (measured in kWh-ac) and delivered to the Energy Delivery Point, in any given period of time. Energy Output does not include the Retained Environmental Financial Incentives or the Green Attributes.

“Environmental Laws” means all federal, state, local and regional laws, statutes, ordinances, orders, rules and regulations relating to the protection of human health or the environment including, without limitation, the Resource Conservation and Recovery Act of 1976, the Comprehensive Environmental Response Compensation and Liability Act of 1980, the Hazardous Materials Transportation Act, the Safe Drinking Water Act, the Clean Water Act, the Clean Air Act, the Toxic Substances Control Act, and any other applicable federal, state or local law now in force or hereafter enacted relating to waste disposal or environmental protection with respect to hazardous, toxic, or other substances generated, produced, leaked, released, spilled or disposed of at or from the Site, as any of the same may be amended or supplemented from time to time, and any regulation promulgated pursuant thereto.

“Expected Production Credit Value” means, for any Relevant Period, the product of 6,300,000 kWh and the Credit Rate.

“Extension PPA Term” has been deleted from the Agreement and is no longer applicable.

“Force Majeure” has the meaning given in Section 15.

“Generating Account” means, the designated retail service account located on the Premises and interconnected with the Generating Facility under the Schedule RES-BCT.

“Generation Credit” means, the monetary value of bill credits produced by the electricity exported to the electric grid by the Generating Facility.

“Generating Facility” means an electricity grid-connected photovoltaic, solar power plant with the specifications shown in Exhibit B, and all associated electric power generation equipment, controls, meters, switches, connections, conduits, wires and other equipment that may be necessary to connect such solar power plant to the Energy Delivery Point and to supply electricity to Purchaser at the Energy Delivery Point.

“Green Attributes” means any and all credits, benefits, emissions reductions, offsets and allowances, howsoever entitled, attributable to the generation of the Energy Output from the Generating Facility, and its displacement of conventional energy generation. Green Attributes include but are not limited to Renewable Energy Certificates, as well as: (1) any avoided emissions of pollutants to the air, soil or water such as sulfur oxides (SOx), nitrogen oxides (NOx), carbon monoxide (CO) and other pollutants; (2) any avoided emissions of carbon dioxide (CO2), methane (CH4), nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change, or otherwise by law, to contribute to the actual or potential threat of altering the earth’s climate by trapping heat in the atmosphere; and (3) the reporting rights to these avoided emissions, such as REC Reporting Rights. Green Attributes do not include (i) any Energy, capacity, reliability or other power attributes from the Generating Facility, (ii) the Retained Environmental Financial Incentives, (iii) fuel-related subsidies or “tipping fees” that may be paid to Power Provider to accept certain fuels, or local subsidies received by the generator for the destruction of particular preexisting pollutants or the promotion of local environmental benefits, or (iv) emission reduction credits encumbered or used by the Generating Facility for compliance with local, state, or federal operating and/or air quality permits.

“Ground Lease Agreement” means the certain Ground Lease Agreement between the Trustees of the California State University San Diego State University and SMER Research 1, LLC, dated as of October 21, 2014 (SDSU Agreement 40096313), and any amendments thereto.

“Indifference Payment” is defined in Recital D to the First Amendment.

“Indemnified PPA Party” has the meaning given in Section 12(a).

“Indemnifying PPA Party” has the meaning given in Section 12(a).

“Interconnection Agreement” means an interconnection agreement entered into by and between Purchaser and the Utility, as in effect on the PPA Effective Date, substantially in the form attached to the PPA as Exhibit D or such other approved form as may be in effect immediately prior to the Commercial Operation Date or as otherwise applicable during the PPA Term.

“Interconnection Facilities” means collectively to include all facilities and equipment between the Generating Facility and the Point of Interconnection, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the Generating Facility to the Distribution Provider's Distribution System.

“Land Use Agreement” means the Sublease Agreement by and between Power Provider and Purchaser in substantially the same form as provided in Exhibit H.

“Landlord” has the meaning given in the preamble in the Land Use Agreement.

“Party” and/or “Parties” means a party or the parties to the PPA.

“Permits” has the meaning given in Land Use Agreement Section 6(b).

“Person” means any individual, corporation, partnership, joint venture, association, joint stock company, trust, trustee, estate, limited liability company, unincorporated organization, real estate investment trust, government or any agency or political subdivision thereof, or any other form of entity.

“Power Provider” has the meaning given in the PPA preamble.

“PPA” has the meaning given in the preamble.

“PPA Effective Date” has the meaning given in the preamble to the PPA.

“PPA Expiration Date” means the last day of the PPA Term.

“PPA Event of Default” has the meaning given in Section 13.

“PPA Term” has the meaning given in Section 4(a).

“Pre-Construction Activities” has the meaning given in Section 2(b).

“Premises” has the meaning given in Land Use Agreement Exhibit H.

“Prudent Industry Practices” means those practices, methods and equipment, as changed from time to time, that are commonly used in the state of California in prudent electrical engineering and operations to operate photovoltaic solar generation equipment lawfully and with safety, reliability, efficiency and expedition. Prudent Industry Practices are not intended to be limited to the optimum practices, methods or equipment to the exclusion of others, but rather to those practices, methods or equipment generally

accepted or approved by a significant portion of the photovoltaic solar power industry during the relevant time period.

“Purchase Price” means, the product of the Energy Output and the Applicable Rate for a given period of time.

“Purchaser” has the meaning given in the PPA preamble.

“Rebate Payments” means any incentive payments made to Power Provider by a third party in connection with the Generating Facility.

“RECs” or “Renewable Energy Certificates” mean renewable energy certificates related to and representing Green Attributes (also known as green tags, renewable energy credits, or tradable renewable certificates), which are tradable environmental commodities in the United States and represent 1 megawatt-hour (MWh) of electricity generated from an eligible renewable energy resource. These certificates can be sold and traded and the owner of the REC can claim to have purchased renewable energy.

“REC Reporting Rights” are the right of an owner of RECs to report the ownership of accumulated RECs in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at its discretion, and include without limitation those REC Reporting Rights accruing under section 1605(b) of the Energy Policy Act of 1992 and any present or future federal, state, or local law, regulation or bill, and international or foreign emissions trading program.

“Relevant Period” means a twelve-month period, or portion thereof, commencing on the next regular billing cycle following the date of final interconnection of the Provider’s Generating Facility to SCE’s electric system and on every subsequent anniversary thereof.

“Retained Environmental Financial Incentives” means each of the following financial rebates and incentives that is in effect as of the PPA Effective Date or may come into effect in the future: (1) production, energy, or investment tax credits associated with the development, construction, ownership or operation of the Generating Facility, accelerated depreciation and other financial incentives in the form of credits, reductions or allowances associated with the Generating Facility or the Green Attributes that may be applied to reduce any state or federal income taxation obligations, including but not limited to the Tax Incentives, and (2) performance-based incentives under applicable state or federal law or utility programs, including but not limited to the Rebate Payments. Without limiting the foregoing, “Retained Environmental Financial Incentives” includes the right to apply for (and entitlement to receive) incentives under any demand-side management, distributed generation or energy efficiency programs offered by a utility company, a third-party provider or the State in which the Generating Facility is located, any incentive offered pursuant to a renewable energy program or any other incentive programs offered by or in the state in which the Generating Facility is located.

“SCADA” has the meaning given in Section 6(a).

“Site” means the Santa Margarita Ecological Reserve, Solar Institute Research Site, Temecula, Southern Riverside County, or such other location agreed to by Power Provider and Purchaser on which the Generating Facility is to be located.

“Target Commercial Operation Date” has the meaning given in Section 2(c).

“Tax Incentives” means all rights to and to claim federal income tax credits under sections 45 or 48 of the Code (or a cash grant in lieu thereof) and all other federal, state and/or local tax benefits arising from the ownership of the Generating Facility, including without limitation, any special income tax deductions under the Code.

“Tenant” has the meaning given in the preamble to the Land Use Agreement.

“Termination Value” means, the dollar amount for the applicable PPA year as shown on Exhibit C, and is only in consideration to the initial 30 year term, and not to include any extensions of term.

“TOU Period” means, each of the following time-of-use schedule periods delineated by SCE that are applied to determine applicable generation charges for energy which in the value of kWh and demand in the value of kW: (i) summer on-peak, (ii) summer mid-peak, (iii) summer off-peak, (iv) winter mid-peak, and (v) winter off-peak; and will include any additional or modified TOU period as determined by SCE after July 1, 2027.

“Utility” means the electric distribution company responsible for electric energy transmission and distribution service at the Site. The Parties acknowledge and agree that, as of the PPA Effective Date, the Utility is Southern California Edison Company.

2. Rules of Interpretation.

Except where otherwise expressly provided or unless the context otherwise necessarily requires:

(a) Reference within an Agreement to a given Section, Subsection, clause, Exhibit or Schedule is a reference to an Section, Subsection, clause, Exhibit or Schedule of such Agreement, as the case may be, unless otherwise specified.

(b) Reference within an Agreement to the terms “hereof”, “herein”, “hereto”, “hereunder” and “herewith” refer to such Agreement as a whole.

(c) Reference to a given agreement, instrument, document, law, rule or regulation is a reference to that agreement, instrument, document, law, rule or regulation as modified, amended, supplemented and restated through the date as of which such reference is made, and, as to any law, rule or regulation, any successor law, rule or regulation.

(d) Accounting terms have the meanings given to them by applicable U.S. generally accepted accounting principles applied on a consistent basis.

- (e) Reference to a Person includes its successors and permitted assigns.
- (f) The singular shall include the plural and the masculine shall include the feminine, and *vice versa*.
- (g) "Includes" or "including" means "including, for example and without limitation."
- (h) References to "days" shall mean calendar days, unless the term "Business Days" is used.
- (i) Preparation of an Agreement has been a joint effort of both Parties thereto and their legal counsel and the resulting document shall not be construed more severely against one of the Parties than against the other.
- (j) The captions contained in an Agreement are for convenience and reference only and in no way define, describe, extend or limit the scope or intent of the Agreement or the intent of any provision contained therein.
- (k) Any failure of a Party to enforce any of the provisions of an Agreement or to require compliance with any of its terms at any time during the term of an Agreement shall in no way affect the validity thereof, or any part thereof, and shall not be deemed a waiver of the right of such Party thereafter to enforce any and each of such provisions.

**Amended and Restated Exhibit B
Generating Facility Specifications**

Location: Santa Margarita Ecological Reserve SOLAR Initiative Research Site

Sublease Area 2 (City of Lake Elsinore)

Purchaser	Generator Size (kWdc)	Percent of Energy Output Allocated (%)	Estimated Energy Allocated Year 1	Type
City of Temecula (Sublease Area 1)	2494.48 kWdc	68%	4,352,632 kWh	Solar PV
City of Lake Elsinore (Sublease Area 2)	1173.87 kWdc	32%	2,048,297 kWh	Solar PV
Purchaser Total	3668.35 kWdc	100%	6,400,929 kWh	

**Amended and Restated Exhibit C
Termination Values**

Year of Contract	Total	Sublease Area 1 (Temecula)	Sublease Area 2 (Lake Elsinore)
1	\$11,881,317	\$8,079,296	\$3,802,021
2	\$11,597,839	\$7,886,531	\$3,711,308
3	\$11,308,104	\$7,689,511	\$3,618,593
4	\$11,011,973	\$7,488,142	\$3,523,831
5	\$10,709,305	\$7,282,327	\$3,426,978
6	\$10,399,956	\$7,071,970	\$3,327,986
7	\$10,083,778	\$6,856,969	\$3,226,809
8	\$9,760,621	\$6,637,222	\$3,123,399
9	\$9,430,330	\$6,412,624	\$3,017,706
10	\$9,092,748	\$6,183,069	\$2,909,679
11	\$8,747,714	\$5,948,446	\$2,799,268
12	\$8,395,064	\$5,708,644	\$2,686,420
13	\$8,034,630	\$5,463,548	\$2,571,082
14	\$7,666,238	\$5,213,042	\$2,453,196
15	\$7,289,715	\$4,957,006	\$2,332,709
16	\$6,904,881	\$4,695,319	\$2,209,562
17	\$6,511,551	\$4,427,855	\$2,083,696
18	\$6,109,539	\$4,154,487	\$1,955,052
19	\$5,698,653	\$3,875,084	\$1,823,569
20	\$5,278,696	\$3,589,513	\$1,689,183
21	\$4,849,470	\$3,297,640	\$1,551,830
22	\$4,410,768	\$2,999,322	\$1,411,446
23	\$3,962,382	\$2,694,420	\$1,267,962
24	\$3,504,099	\$2,382,787	\$1,121,312
25	\$3,035,699	\$2,064,275	\$971,424
26	\$3,035,699	\$2,064,275	\$971,424
27	\$3,035,699	\$2,064,275	\$971,424
28	\$3,035,699	\$2,064,275	\$971,424
29	\$3,035,699	\$2,064,275	\$971,424
30	\$3,035,699	\$2,064,275	\$971,424

Termination Value reflects the amount required as payment due to a PPA Event of Default (Section 13(a)). The respective termination values for the Lease Area 1 (City of Temecula) and Lease Area 2 (City of Lake Elsinore) are proportionate to the amount of energy purchased by the JPA to benefit each City at the initiation of the Agreement. Should the proportionate energy purchased by the Purchaser JPA participants change during the term of agreement, the relative termination values would also change proportionately.